

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

June 17, 2008

JK

TO: Internal File

THRU: Steve Christensen, Team Lead SKC

FROM: Priscilla Burton, CPSSc, Environmental Scientist III PROB by an

RE: Permit Area Expansion – 240 Acres, Canyon Fuel Company, LLC., Dugout Mine, C/007/00039, Task ID #2958

SUMMARY:

The 560 acre lease area expansion is the total of the 320 acres state lease ML-50582-OBA and an additional 487.57 acres of federal coal lease U-07064-027821, 247 acres of which was already included in the plan (pg. 1-11). The total acreage for federal coal lease U-07064-027821 is now listed as 2,903.71 acres. Deficiencies identified in the first review of this information as task 2873 (December 2007) have been resolved. This revision of the application (dated April 2008) is recommended for approval.

TECHNICAL ANALYSIS:

GENERAL CONTENTS

IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

Analysis:

No change to existing information.

Findings:

The approved Mining and Reclamation plan meets the requirements of the Regulations.

TECHNICAL MEMO

VIOLATION INFORMATION

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

Analysis:

No change to existing information.

Findings:

The approved Mining and Reclamation plan meets the requirements of the Regulations.

RIGHT OF ENTRY

Regulatory Reference: 30 CFR 778.15; R645-301-114

Analysis:

Right of Entry information is found in the MRP Section 114 and Appendix 1-1. The federal lease U-07064-027821 is beneath surface land holdings of the George and Margaret Conover, the Thayn Trust, and Gil and Melody Conover. The Surface Owner Agreements between the latter two surface owners are included in Appendices 4-2 and 4-4 of the MRP.

Plates 7-1 and 7-2 show the location of a jeep trail on Gil L. Conover's land that is used to access the monitoring locations in the federal lease U-07064-027821. Appendix 4-4 provides documentation for the use of the trails. Mr. Conover is listed as an affected owner and his address is provided in Section 112.500 of the MRP.

The total acreage for federal coal lease U-07064-027821 is now listed on page 1-9 as 2,903.71 acres. Section 114 provides calculations of surface and coal ownership as follows:

	SURFACE	COAL OWNERSHIP
BLM ROW	= 10 acres	
Federal lands	= 567 acres	3,084 acres
State lands	= 920 acres	5,840 acres
Fee lands	= 8,254 acres	827 acres

Total Permit area = 9,751 acres

9751 acres

Surface subsidence area, refuse pile and leach field add up to 745 acres which were included in the surface and coal acreage totals, but which will not be mined (pg. 1-10).

Findings

The information meets the Right of Entry requirements of the R645 Coal Rules.

LEGAL DESCRIPTION AND STATUS OF UNSUITABILITY CLAIMS

Regulatory Reference: 30 CFR 778.16; 30 CFR 779.12(a); 30 CFR 779.24(a)(b)(c); R645-300-121.120; R645-301-112.800; R645-300-141; R645-301-115.

Analysis:

The permit area change does not affect the disturbed area boundary. The application does not change the status of unsuitability claims for the coal mining and reclamation operation as defined by the rules and by the 2003 District Court of Appeals Decision that subsidence is not considered "coal mining and reclamation operations" for the purposes of determining suitability.

Findings:

The available information meets the requirements of the Regulations.

PERMIT TERM

Regulatory References: 30 CFR 778.17; R645-301-116.

Analysis:

The five-year permit was last issued March 21, 2007. This amendment does not change the permit renewal dates.

Findings:

The information available meets the requirements of the Regulations.

PUBLIC NOTICE AND COMMENT

Regulatory References: 30 CFR 778.21; 30 CFR 773.13; R645-300-120; R645-301-117.200.

Analysis:

TECHNICAL MEMO

Certificates of Insurance are located in the General Chapter 1 Volume, App. 1-2. There is no change to this information with this application.

The lease area boundary currently encompasses 9,511 acres. This amendment adds 560 acres. This amendment does not change the disturbed area boundary (97.6 acres as listed on page 1-9 of Section 114) and is not considered a significant revision and therefore, no public notice was required.

Findings:

The information presented meets the requirements of the regulations.

TOPSOIL AND SUBSOIL

Regulatory Reference: 30 CFR Sec. 817.22; R645-301-230.

Analysis:

There is no increased disturbed acreage and therefore no change to the topsoil salvage or reclamation plan. No additional soil survey information is required.

Findings:

The information provided meets the requirements of the regulations.

OPERATION PLAN

AIR POLLUTION CONTROL PLAN

Regulatory Reference: 30 CFR 784.26, 817.95; R645-301-244, -301-420.

Analysis:

The first two pages of the 2005 Air Quality Order DAQE# AN1634004-03 are provided in Appendix 4-1 of the MRP. The Permittee declined to provide the entire public document and instructed the Division to obtain the complete AO from the Division of Air Quality. The complete document was obtained and has been placed into the 2007 Incoming folder for the mine.

A Notice of Intent (NOI) was filed with the DAQ to change the Air Quality Order to increase allowable twelve-month throughput from 5 million tons to 7 million tons. According to the DEQ, the NOI application was filed on April 14, 2006 and has been amended several times since, with the last amendment dated January 2007.

There is no change to the air quality information with this amendment.

Findings

The information provided meets the requirements for coordination with air quality.

SUBSIDENCE CONTROL PLAN

Regulatory Reference: 30 CFR 784.20, 817.121, 817.122; R645-301-521, -301-525, -301-724.

Analysis:

Renewable Resources Survey

Subsidence Control Plan

Performance Standards For Subsidence Control

Notification

Notification letters are included in Appendix 5.12.
Notification letters for this federal lease U-07064-027821 expansion were included with the initial application and scanned into the 2007 Incoming folder as folder10222007.pdf.
Landowners, George and Margaret Conover shown on Plate 1-1 were sent separately on March 14, 2008 and are filed in the Confidential/2008/Incoming folder.

Findings:

The information provided meets the requirements of the Coal Rules.

RECOMMENDATIONS:

Approval is recommended at this time.